
Montgomery County Public Schools

MISSION STATEMENT

The Montgomery County Public Schools (MCPS) operates a countywide system of public schools for students from pre-kindergarten through high school. For the 2007-08 school year (FY08), 137,745 students in pre-kindergarten classes through grades 12 attend 200 separate public educational facilities. For the 2008-09 school year (FY09), enrollment is estimated at 137,763 students.

BUDGET OVERVIEW

The County Executive's role in the MCPS budget process is to present to the County Council a recommended total budget. The total recommended FY09 Operating Budget is \$2,060.1 million, an increase of \$75.1 million or 3.8 percent compared to the original FY08 approved budget of \$1,985.0 million. The Board of Education's (BOE) Operating Budget request for FY09 totaled \$2,111.2 million.

The County Executive's recommendation would fund 97.6 percent of the BOE's request and establishes an affordable and sustainable level of support that both addresses educational needs and maintains commitments to employees. It would raise total per pupil spending from all sources to \$14,954, the highest level ever.

The County also supports the operations of the school system through the expenditures of other departments. For example, school health services, childhood wellness, and Linkages to Learning programs are provided by HHS; research and internet resources are made available in the Public Libraries; crossing guards and Educational Facilities Officers are supported by the Police; sports academies for youth are sponsored by the Department of Recreation; reimbursements for classrooms and school sports fields rented by residents are made by Community Use of Public Facilities; and Environmental Protection will maintain the stormwater facilities of the public schools. In addition to the total recommended Operating Budget for the public schools, this agency's Capital Improvements Program (CIP) requires current revenue funding. Approximately \$20.1 million dollars in FY09 current revenues is recommended in the FY09-14 CIP.

The recommended budget includes the County's contribution of \$1,521.5 million (73.9 percent of all recommended funding), State aid and grants of \$400.4 million (19.4 percent), Federal grants and aid of \$68.4 million (3.3 percent), and tuition, fees, and private grants of \$15.0 million (0.7 percent). The recommended appropriation for the fee supported enterprise funds is \$53.1 million (2.6 percent) and for the special revenue fund is \$1.6 million (0.1 percent).

Tax Supported Funding for the Public Schools

For FY09, the total tax supported portion of the Executive's recommendation (excluding grants and enterprise funds) is \$1,927.0 million, an increase of \$74.8 million or 4.0 percent over the original FY08 approved Operating Budget. The tax supported portion of the recommendation includes the local contribution of funds of \$1,521.5 million, which is a total increase in local funding of \$64.6 million or 4.4 percent over the original FY08 approved local appropriation.

The Executive's recommendation for local funding is \$69.0 million above the FY09 State Maintenance of Effort requirement. Providing local funds to meet the State Maintenance of Effort requirement ensures the receipt of State aid to the public schools.

Fiscal Summary

The Executive's total budget recommendation from all funding sources of \$2,060.1 million represents 97.6 percent of the BOE's March request. The Executive endorses funding of the contracts negotiated with the Montgomery County Education Association, the Montgomery County Association of Administrative and Supervisory Personnel, and the Service Employees International Union Local 500. The Executive relies on the BOE to determine the most appropriate manner to deliver educational services within his recommended budget allocation.

Spending Affordability

In December 2007, the Montgomery County Council approved FY09 Spending Affordability Guidelines (SAG) of \$1,873.3 million for the tax supported funds of MCPS. The County Executive recommends \$1,927.0 million for the tax-supported funds of MCPS, which is \$53.7 million or 2.9 percent above the SAG. The BOE requested \$1,978.1 million in tax supported funds. The County Council will revisit the SAG by the second Tuesday after the General Assembly adjourns. If the Council amends the allocation for MCPS and it is below the level recommended by the County Executive, the Executive will forward to the Council information on

changes the Council would need to make if it were to appropriate the FY09 budget at the level set by the SAG.

Additional Budget Details

The County Executive recommends increasing the retiree health insurance trust prefunding phase-in period from five years to eight years for all tax supported County agencies. Increasing the phase-in period results in a reduction in prefunding costs included in the MCPS operating budget request of \$3.1 million. The Executive recommends that each agency's appropriation be contingent upon funding the agency's FY09 contribution for prefunding retiree health insurance benefits.

The Executive believes that the total FY09 Operating Budget recommendation supports educational needs and maintains commitments to employees. In making this recommendation, the Executive affirms the authority of the BOE to establish educational policy and to determine the allocation of appropriated funds in support of the mission of the public school system. Complete information regarding the MCPS budget request is available in the FY09 Operating Budget adopted by the BOE on March 1, 2008. Copies of that budget are available at Montgomery County libraries, on the MCPS website and, upon request, from the school system.

LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

❖ Children Prepared to Live and Learn

ACCOMPLISHMENTS AND INITIATIVES

- ❖ **Provide resources to accommodate the enrollment of 137,763 students.**
- ❖ **Make a County contribution to MCPS of \$1,521.5 million, an increase of \$64.6 million or 4.4% compared to the FY08 approved budget.**
- ❖ **Raise MCPS total spending to \$2,060.1 million, an increase of \$75.1 million or 3.8% over FY08 expenditures.**
- ❖ **Expand funding per pupil from all sources to \$14,954, the highest level ever.**
- ❖ **Support MCPS programs through expenditures in other County departments, such as HHS, Public Libraries, Police, Recreation, Community Use of Public Facilities, and Environmental Protection.**
- ❖ **Productivity Improvements**
 - **MCPS is moving towards its academic goals of achieving success for all students:**
 - **93% of kindergartners are reading simple text and there is virtually no achievement gap in reading between White students and their African American and Hispanic peers.**
 - **56% of eighth graders completed Algebra 1 last year and 67% of this year's eighth grade class are enrolled in this gateway course.**
 - **The performance of the class of 2007 on Advanced Placement exams was three times higher than the national average for 2007 graduates. African American and Hispanic students in MCPS outscored the national average for all students.**
 - **Newsweek magazine once again ranked all 23 eligible MCPS high schools in the top 3% in the nation, including five in the top 100.**

PROGRAM CONTACTS

Contact Dr. Marshall Spatz of the Montgomery County Public Schools at 301.279.3547 or Charles Goldsmith of the Office of Management and Budget at 240.777.2779 for more information regarding this agency's operating budget.

BUDGET SUMMARY

	Actual FY07	Budget FY08	Estimated FY08	Recommended FY09	% Chg Bud/Rec
CURRENT FUND MCPS					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Current Fund MCPS Personnel Costs	0	0	0	0	—
Operating Expenses	1,731,625,239	1,852,160,947	1,841,438,105	1,926,986,523	4.0%
Capital Outlay	0	0	0	0	—
Current Fund MCPS Expenditures	1,731,625,239	1,852,160,947	1,841,438,105	1,926,986,523	4.0%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	19,405.6	19,578.8	19,578.8	19,783.3	1.0%
REVENUES					
Basic State Aid	179,886,089	193,483,569	195,405,366	166,025,850	-14.2%
GCEI - Geographic Cost of Education Index	0	0	0	18,372,221	—
Transportation	28,298,236	30,678,135	30,678,135	31,481,949	2.6%
Students With Disabilities	39,245,336	44,363,011	44,341,214	43,828,646	-1.2%
Foster Care/Miscellaneous	870,956	250,000	250,000	750,000	200.0%
Supplemental Grant	0	0	0	10,395,191	—
Thornton Legislation	87,743,135	120,557,055	120,557,055	128,446,467	6.5%
Tuition-Other Sources	6,175,823	5,686,604	6,286,604	5,943,645	4.5%
Federal Revenues	539,843	230,000	230,000	230,000	—
Current Fund MCPS Revenues	342,759,418	395,248,374	397,748,374	405,473,969	2.6%
GRANT FUND MCPS					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Grant Fund MCPS Personnel Costs	0	0	0	0	—
Operating Expenses	81,430,127	78,551,453	78,551,453	78,369,827	-0.2%
Capital Outlay	0	0	0	0	—
Grant Fund MCPS Expenditures	81,430,127	78,551,453	78,551,453	78,369,827	-0.2%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	674.0	634.0	634.0	640.7	1.1%
REVENUES					
Federal Grants	74,637,946	68,296,744	68,296,744	68,189,352	-0.2%
State Grants	4,676,139	1,023,000	1,023,000	1,095,902	7.1%
Private Grants	2,116,042	9,231,709	9,231,709	9,084,573	-1.6%
Grant Fund MCPS Revenues	81,430,127	78,551,453	78,551,453	78,369,827	-0.2%
FOOD SERVICE FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Food Service Fund Personnel Costs	0	0	0	0	—
Operating Expenses	39,647,050	46,717,154	46,717,154	46,841,144	0.3%
Capital Outlay	0	0	0	0	—
Food Service Fund Expenditures	39,647,050	46,717,154	46,717,154	46,841,144	0.3%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	600.8	601.7	601.7	604.7	0.5%
REVENUES					
Child Care Food Service	765,300	775,000	775,000	600,000	-22.6%
Federal Food	14,952,393	14,583,505	14,583,505	16,290,836	11.7%
State Food	1,017,320	870,917	870,917	1,115,702	28.1%
Sale of Meals	22,912,037	30,487,732	30,487,732	28,834,606	-5.4%
Food Service Fund Revenues	39,647,050	46,717,154	46,717,154	46,841,144	0.3%
REAL ESTATE FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—

	Actual FY07	Budget FY08	Estimated FY08	Recommended FY09	% Chg Bud/Rec
Employee Benefits	0	0	0	0	—
Real Estate Fund Personnel Costs	0	0	0	0	—
Operating Expenses	2,625,031	2,317,953	2,317,953	2,549,103	10.0%
Capital Outlay	0	0	0	0	—
Real Estate Fund Expenditures	2,625,031	2,317,953	2,317,953	2,549,103	10.0%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	3.5	4.0	4.0	6.5	62.5%
REVENUES					
Real Estate Fund	2,625,031	2,317,953	2,317,953	2,549,103	10.0%
Real Estate Fund Revenues	2,625,031	2,317,953	2,317,953	2,549,103	10.0%
ADULT EDUCATION					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Adult Education Personnel Costs	0	0	0	0	—
Operating Expenses	0	0	0	0	—
Capital Outlay	0	0	0	0	—
Adult Education Expenditures	0	0	0	0	—
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	0.0	0.0	0.0	0.0	—
FIELD TRIP FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Field Trip Fund Personnel Costs	0	0	0	0	—
Operating Expenses	1,543,101	2,079,338	2,079,338	2,199,661	5.8%
Capital Outlay	0	0	0	0	—
Field Trip Fund Expenditures	1,543,101	2,079,338	2,079,338	2,199,661	5.8%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	3.0	3.0	3.0	4.0	33.3%
REVENUES					
Field Trip Fees	1,543,101	2,079,338	2,079,338	2,199,661	5.8%
Field Trip Fund Revenues	1,543,101	2,079,338	2,079,338	2,199,661	5.8%
ENTREPRENEURIAL ACTIVITIES FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Entrepreneurial Activities Fund Personnel Costs	0	0	0	0	—
Operating Expenses	1,436,778	1,669,774	1,669,774	1,561,075	-6.5%
Capital Outlay	0	0	0	0	—
Entrepreneurial Activities Fund Expenditures	1,436,778	1,669,774	1,669,774	1,561,075	-6.5%
PERSONNEL					
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	9.5	9.5	9.5	8.0	-15.8%
REVENUES					
Entrepreneurial Activities Fee	1,436,778	1,669,774	1,669,774	1,561,075	-6.5%
Entrepreneurial Activities Fund Revenues	1,436,778	1,669,774	1,669,774	1,561,075	-6.5%
INSTRUCTIONAL TELEVISION FUND					
EXPENDITURES					
Salaries and Wages	0	0	0	0	—
Employee Benefits	0	0	0	0	—
Instructional Television Fund Personnel Costs	0	0	0	0	—
Operating Expenses	1,383,000	1,521,000	1,521,000	1,613,830	6.1%
Capital Outlay	0	0	0	0	—
Instructional Television Fund Expenditures	1,383,000	1,521,000	1,521,000	1,613,830	6.1%
PERSONNEL					

	Actual FY07	Budget FY08	Estimated FY08	Recommended FY09	% Chg Bud/Rec
Full-Time	0	0	0	0	—
Part-Time	0	0	0	0	—
Workyears	13.5	13.5	13.5	14.0	3.7%
DEPARTMENT TOTALS					
Total Expenditures	1,859,690,326	1,985,017,619	1,974,294,777	2,060,121,163	3.8%
Total Full-Time Positions	0	0	0	0	—
Total Part-Time Positions	0	0	0	0	—
Total Workyears	20,709.9	20,844.5	20,844.5	21,061.2	1.0%
Total Revenues	469,441,505	526,584,046	529,084,046	536,994,779	2.0%

MCPS EXPENDITURES FY80-FY09					
County Fiscal Year	Total Expenditures	Total Enrollment	Per Pupil	County Funding	As Percent of Total
80	\$283,964,983	102,519	\$2,770	\$217,458,068	76.6%
81	\$310,301,970	98,843	\$3,139	\$243,994,370	78.6%
82	\$331,546,219	95,587	\$3,469	\$267,891,955	80.8%
83	\$351,939,986	92,517	\$3,804	\$286,965,658	81.5%
84	\$371,322,717	91,030	\$4,079	\$303,726,901	81.8%
85	\$399,916,181	91,704	\$4,361	\$330,035,065	82.5%
86	\$436,875,791	92,871	\$4,704	\$361,788,973	82.8%
87	\$475,866,930	94,460	\$5,038	\$398,053,264	83.6%
88	\$519,622,140	96,271	\$5,397	\$434,582,576	83.6%
89	\$577,957,669	98,519	\$5,866	\$488,062,505	84.4%
90	\$642,553,932	100,259	\$6,409	\$545,768,528	84.9%
91	\$702,260,084	103,732	\$6,770	\$601,407,797	85.6%
92	\$712,896,646	107,140	\$6,654	\$603,939,300	84.7%
93	\$738,767,864	110,037	\$6,714	\$622,732,456	84.3%
94*	\$793,907,907	113,429	\$6,999	\$666,557,884	84.0%
95	\$830,010,147	117,082	\$7,089	\$695,512,609	83.8%
96	\$878,160,420	120,291	\$7,300	\$718,938,647	81.9%
97	\$915,141,097	122,505	\$7,470	\$740,984,871	81.0%
98	\$958,416,196	125,035	\$7,665	\$765,835,476	79.9%
99	\$1,034,768,530	127,852	\$8,093	\$820,833,423	79.3%
00	\$1,105,644,145	130,689	\$8,460	\$870,940,869	78.8%
01	\$1,216,096,599	134,180	\$9,063	\$959,754,838	78.9%
02	\$1,323,625,477	136,832	\$9,673	\$1,029,703,651	77.8%
03	\$1,412,161,822	138,891	\$10,167	\$1,079,188,698	76.4%
04	\$1,498,374,041	139,203	\$10,764	\$1,136,392,169	75.8%
05	\$1,609,382,533	139,337	\$11,550	\$1,217,214,553	75.6%
06	\$1,713,736,154	139,387	\$12,295	\$1,296,325,112	75.6%
07	\$1,851,496,287	137,798	\$13,436	\$1,384,725,787	74.8%
08	\$1,985,017,619	137,745	\$14,411	\$1,456,912,582	73.4%
09 CE Rec	\$2,060,121,163	137,763	\$14,954	\$1,521,512,554	73.9%

Sources: Approved Operating Budgets

Notes:

* State legislative action shifted responsibility for teacher Social Security payments to local jurisdictions in FY94.

Per pupil spending represents all sources of funds.

In addition to MCPS appropriations, the following County departments also support MCPS programs:

- School Health Nurses and Health Room Technicians (Health and Human Services)
- Childhood Wellness (Health and Human Services)
- Linkages to Learning (Health and Human Services)
- Research and Internet Resources (Public Libraries)
- Sports Academies (Recreation)
- Educational Facilities Officers (Police Department)
- Crossing Guards (Police Department)
- Reimbursements for Rented Classrooms and Sports Fields (Community Use of Public Facilities)
- Stormwater Facility Maintenance (Environmental Protection)
- Capital Improvements Program (CIP) Current Revenue
- Debt Service on School Facilities

